

**Senate Bill No. 537**

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Passed the Senate September 7, 2007

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*Secretary of the Senate*

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Passed the Assembly September 5, 2007

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*Chief Clerk of the Assembly*

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This bill was received by the Governor this \_\_\_\_\_ day  
of \_\_\_\_\_, 2007, at \_\_\_\_\_ o'clock \_\_\_\_M.

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*Private Secretary of the Governor*

## CHAPTER \_\_\_\_\_

An act to amend Section 47613 of the Education Code, relating to charter schools.

## LEGISLATIVE COUNSEL'S DIGEST

SB 537, Simitian. Charter schools: report.

The Charter Schools Act of 1992 authorizes a chartering agency to charge up to 1% of a charter school's revenue for the actual costs of supervisory oversight of the charter school. A chartering agency is authorized to charge up to 3% of a charter school's revenue for actual costs of supervisory oversight if the charter school is able to obtain substantially rent-free facilities from the chartering agency.

This bill would require the California Research Bureau of the California State Library to prepare and submit to the Legislature on or before January 8, 2009, a report on the key elements and actual costs of charter school oversight. In preparing its report, the bureau would be required to consult with an advisory panel to ensure technical accuracy.

The bill would make additional, technical, nonsubstantive changes including replacing "chartering agency" with "chartering authority."

*The people of the State of California do enact as follows:*

SECTION 1. Section 47613 of the Education Code is amended to read:

47613. (a) Except as set forth in subdivision (b), a chartering authority may charge for the actual costs of supervisory oversight of a charter school not to exceed 1 percent of the revenue of the charter school.

(b) A chartering authority may charge for the actual costs of supervisory oversight of a charter school not to exceed 3 percent of the revenue of the charter school if the charter school is able to obtain substantially rent free facilities from the chartering authority.

(c) A local agency that is given the responsibility for supervisory oversight of a charter school, pursuant to paragraph

(1) of subdivision (k) of Section 47605, may charge for the actual costs of supervisorial oversight, and administrative costs necessary to secure charter school funding. A charter school that is charged for costs under this subdivision may not be charged pursuant to subdivision (a) or (b).

(d) This section does not prevent the charter school from separately purchasing administrative or other services from the chartering authority or any other source.

(e) For purposes of this section, a chartering authority means a school district, county board of education, or the state board, that granted the charter to the charter school.

(f) For purposes of this section, “revenue of the charter school” means the general purpose entitlement and categorical block grant, as defined in subdivisions (a) and (b) of Section 47632.

(g) (1) The California Research Bureau of the California State Library shall prepare and submit to the Legislature on or before January 8, 2009, a report on the key elements and actual costs of charter school oversight. For purposes of the report, the bureau shall define fiscal and academic oversight and shall include any financial relationship between a charter school and its chartering authority that has the effect of furthering the operations of the charter school and that may provide opportunities to oversee the charter school. The report, at a minimum, shall address all of the following issues:

(A) The range of annual activities that entities providing supervisorial oversight of charter schools are expected to perform.

(B) Staff time spent on reviewing charter petitions measured by the size of school districts and the number of charter petitions reviewed.

(C) Staff time spent on oversight responsibilities measured by the size of school districts and the number of charter schools.

(D) Best practices for charter school oversight measured by efficiency and effectiveness. A cost analysis of those best practices after being measured by efficiency and effectiveness.

(E) Comparison of school district costs and revenues attributable to charter school oversight.

(F) Administrative services provided to a charter school by a chartering authority, such as human resources, that may be useful in the oversight of the charter school and chartering authority revenues attributable to those services.

(G) Length of time required to review a single charter petition.

(H) Recommendations for structuring charter school oversight and accountability in California, including an assessment of whether or not the associated costs specified in subdivisions (a) and (b) and subparagraph (F) are adequate to support appropriate supervisorial oversight.

(2) In preparing its report, the California Research Bureau shall consult with an advisory panel to ensure technical accuracy.







Approved \_\_\_\_\_, 2007

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*Governor*